<u>REMARKS</u>

Claims 16-21 and 23 were rejected under 35 U.S.C. 102(e) as being anticipated by Kuo (US Patent No. 6,767,024). Kuo fails to disclose an adjustment assembly as recited in claim 16. The adjustment assembly of the present invention positions the actuator assembly within a range of alternative second suspension positions. Kuo merely discloses a two-position, locked or unlocked, lever 22 with no adjustment provisions for either position. The second collar 20 of Kuo is merely a wrap-around extension of the lever 22 about the handlebar C and therefore incapable of providing any position adjustment feature to the lever 22. Further, the *positioning* groove 21 of Kuo merely positions the control cable B within the second collar 20. Accordingly, it serves no positioning function with respect to the lever 22. As the Kuo device is entirely missing an adjustment assembly, it not only cannot provide a range of alternative range second suspension positions for the lever 22, but cannot facilitate the repeated switching of lever 22 between a first position and any one of alternative second positions. The Kuo device may only be toggled between a locked position and an unlocked position. Since Kuo fails to disclose an adjustment assembly as recited in claim 16, this rejection should be withdrawn.

Claims 17-21 and 23 were rejected as claim 16 under 35 U.S.C. 102(e). Since claims 17-21 and 23 depend directly or indirectly from and contain all the limitations of claim 16, they are felt to overcome the 102 rejection in the same manner as claim 16.

Claims 1, 2, 11-15 and 26 were rejected under 35 U.S.C. 103(a) as being unpatentable over Kuo in view of Girvin (US Patent No. 6,382,370). For the reasons stated above, Kuo fails to disclose an adjustment assembly as recited in claim 1. Therefore, the combination of Kuo and Girvin fails to disclose an adjustment assembly as recited in claim 1. For this reason, the rejection of claim 1 should be withdrawn.

Claims 2, 11-15 and 26 were rejected as claim 1 under 35 U.S.C. 103(a). Since claims 2, 11-15 and 26 depend directly or indirectly from and contain all the

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limitations of claim 1, they are felt to overcome the 103 rejection in the same manner as claim 1.

This reply is believed to be fully responsive to the comments and suggestions of the Examiner and to place this application in condition for allowance. Favorable action is requested.

Respectfully submitted,

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